

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
SAN ANTONIO DIVISION**

<hr/>	§	
In re:	§	Chapter 11
	§	
ALL AMERICAN OIL & GAS	§	Case No. 18-52693-rbk
INCORPORATED,	§	
	§	
Debtor.	§	
	§	
Tax I.D. No. 20-0485894	§	
<hr/>	§	
In re:	§	Chapter 11
	§	
KERN RIVER HOLDINGS INC.,	§	Case No. 18-52694
	§	
Debtor.	§	
	§	
Tax I.D. No. 75-0580508	§	
<hr/>	§	
In re:	§	Chapter 11
	§	
WESTERN POWER & STEAM, INC.,	§	Case No. 18-52695
	§	
Debtor.	§	
	§	
Tax I.D. No. 45-3212088	§	
<hr/>	§	

**DEBTORS' EMERGENCY MOTION FOR ENTRY OF AN  
ORDER (I) DIRECTING JOINT ADMINISTRATION OF  
CHAPTER 11 CASES, AND (II) GRANTING RELATED RELIEF**

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, THEN YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE

COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

**EMERGENCY RELIEF HAS BEEN REQUESTED FOR A HEARING ON WEDNESDAY, NOVEMBER 14, 2018 AT 1:00 PM (CENTRAL) IN BANKRUPTCY COURT AT UNITED STATES COURTHOUSE, 800 FRANKLIN AVENUE, ROOM 140, WACO, TEXAS 76701. IF THE COURT CONSIDERS THE MOTION ON AN EMERGENCY BASIS, THEN YOU WILL HAVE LESS THAN 21 DAYS TO ANSWER. IF YOU OBJECT TO THE REQUESTED RELIEF OR IF YOU BELIEVE THAT THE EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU SHOULD FILE AN IMMEDIATE RESPONSE.**

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

**TO THE HONORABLE CHIEF BANKRUPTCY JUDGE RONALD B. KING:**

All American Oil & Gas Incorporated (“AAOG”), Kern River Holdings Inc. (“KRH”), and Western Power & Steam, Inc. (“WPS”) (collectively, the “Debtors”), the debtors and debtors-in-possession in the above-referenced chapter 11 cases (the “Cases”), file *Debtors’ Emergency Motion for Entry of an Order (I) Directing Joint Administration of Chapter 11 Cases, and (II) Granting Related Relief* (the “Motion”), and respectfully state as follows:

**Relief Requested**

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), (a) directing procedural consolidation and joint administration of these chapter 11 cases, and (b) granting related relief. In support of the Motion, the Debtors rely upon and incorporate by reference the *Declaration of Patrick R. Morris, President of All American Oil & Gas Incorporated in Support of Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”), filed contemporaneously with the Debtors’ voluntary petitions for relief filed under chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”), on November 12, 2018 (the “Petition Date”).

2. The Debtors request that one file and one docket be maintained for all of the jointly-administered cases under the case of All American Oil & Gas Incorporated and that the cases be administered under a consolidated caption, which is set out on Exhibit “1” of the Proposed Order.

3. The Debtors further request that this Court order that the foregoing caption satisfies the requirements set forth in section 342(c)(1) of the Bankruptcy Code.

4. The Debtors also request that a docket entry, substantially similar to the following, be entered on the docket of each of the Debtors, other than All American Oil & Gas Incorporated, to reflect the joint administration of these Cases:

An order has been entered in this case directing the joint administration of the chapter 11 cases of All American Oil & Gas Incorporated, Kern River Holdings Inc., and Western Power & Steam, Inc.; the docket in the chapter 11 case of All American Oil & Gas Incorporated, Case No. 18-52693, should be consulted for all matters affecting this case;

### **Jurisdiction and Venue**

5. The United States Bankruptcy Court for the Western District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.

6. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

7. The statutory bases for the relief requested herein are sections 105(a) and 342(c) of the Bankruptcy Code, Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 1015 of the Bankruptcy Local Rules for the Western District of Texas (the “Bankruptcy Local Rules”).

### **Basis for Relief**

8. Bankruptcy Rule 1015(b) provides, in pertinent part, that “[i]f . . . two or more petitions are pending in the same court by or against . . . (2) a partnership and one or more of its general partners, or (3) two or more general partners, or (4) a debtor and an affiliate, the court

may order a joint administration of the estates.” Fed. R. Bankr. P. 1015. The Debtor entities that commenced these Cases are “affiliates” as defined in section 101(2) of the Bankruptcy Code. Accordingly, the Bankruptcy Code and Bankruptcy Rules authorize the Court to grant the relief requested herein. Bankruptcy Local Rule 1015-1 further provides for the joint administration of related chapter 11 cases.

9. Joint administration of these Cases will provide significant administrative convenience without harming the substantive rights of any party-in-interest. Many of the motions, hearings, and orders in these Cases will affect each Debtor. The entry of an order directing joint administration of these Cases will reduce fees and costs by avoiding duplicative filings and objections. Joint administration also will allow the Office of the United States Trustee for the Western District of Texas and all parties-in-interest to monitor these Cases with greater ease and efficiency.

10. The joint administration of the Debtors’ Cases will permit the Clerk of the Court to use a single general docket for the Debtors and each of the affiliated Cases and to combine notices to creditors and other parties in interest. The Debtors anticipate that numerous notices, applications, motions, other pleadings, hearings, and orders in these Cases will affect the Debtors’ estates. Joint administration will save time and money and avoid duplicative and potentially confusing filings, by permitting counsel for all parties in interest to (a) use a single caption on the numerous documents that will be served and filed herein, and (b) file the papers in one case rather than three times. Joint administration will also protect parties in interest by ensuring that parties in interest in each of the affiliated Debtors’ respective chapter 11 Cases be apprised of the various matters before the Court in all of these Cases. Joint administration also reduces the burden on the Court and its staff.

11. Moreover, joint administration will not adversely affect the Debtors' respective constituencies because this Motion seeks only administrative, not substantive, consolidation of the Debtors' estates. Parties-in-interest will not be harmed by the relief requested, but instead will benefit from the cost reductions associated with the joint administration of these Cases. Accordingly, the Debtors submit that the joint administration of these Cases is in the best interests of their estates, their creditors, and all other parties-in-interest.

### **Notice**

12. The Debtors will provide notice of this Motion to: (a) the Office of the U.S. Trustee for the Western District of Texas; (b) the holders of the 30 largest unsecured claims against the Debtors (on a consolidated basis); (c) the administrative agent under the Debtors' first and second lien credit facilities and counsel thereto; (d) the United States Attorney's Office for the Western District of Texas; (e) the Internal Revenue Service; (f) the United States Securities and Exchange Commission; (g) the Environmental Protection Agency and similar state environmental agencies for states in which the Debtors conduct business; and (h) the state attorneys general for states in which the Debtors conduct business. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

### **No Prior Request**

13. No prior motion for the relief requested herein has been made to this Court or any other court.

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Order, granting the relief requested herein, and such other relief as the Court deems appropriate.

Dated: November 12, 2018

Respectfully Submitted,

*/s/ Deborah D. Williamson*

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*Proposed Counsel for Debtors and Debtors-in-Possession*

**CERTIFICATE OF SERVICE**

I hereby certify that on November 12, 2018, a true and correct copy of the foregoing document was served by electronic mail and/or U.S. overnight mail to the following parties and the parties on the service list attached hereto:

Office of the U.S. Trustee  
615 E. Houston St., #533  
San Antonio, TX 78205  
USTPRegion07.SN.ECF@usdoj.gov

O'Melveny & Myers LLP  
c/o Mr. Stephen H. Warren  
Times Square Tower  
7 Times Square  
New York, NY 10036  
swarren@omm.com

California Environmental Protection Agency  
1001 I Street  
P.O. Box 2815  
Sacramento, CA 95812-2815

U.S. Security and Exchange Commission  
Fort Worth Regional Office  
801 Cherry Street, Suite 1900, Unit 18  
Fort Worth, TX 76102

/s/ Deborah D. Williamson  
Deborah D. Williamson

AB PRIVATE CREDIT INVESTORS LLC ATTN: KERN RIVER HOLDINGS SECURITY ACCOUNT MANAGER 1345 AVENUE OF THE AMERICAS NEW YORK, NY 10105
AB PRIVATE CREDIT INVESTORS, LLC C/O CORTLAND CAPITAL MARKET SERVICES LLC ATTN: AGENCY SERVICES -ALLIANCEBERNSTEIN PRIVATE CREDIT INVESTORS LLC 225 W WASHINGTON STREET, 21ST FLOOR CHICAGO, IL 60606
AIR QUALITY CONSULTANTS INC 15541 COMMERCE LANE HUNTINGTON BEACH, CA 92649
ALL AMERICAN OIL & GAS, INC. 9601 MCALLISTER FREEWAY, SUITE 221 SAN ANTONIO, TX 78216
APT GENERAL ENGINEERING INC PO BOX 2124 BAKERSFIELD, CA 93303
B J INC CALIFORNIA CORPORATION 4101 UNION AVENUE BAKERSFIELD, CA 93305
BAKER HUGHES PO BOX 301057 DALLAS, TX 75303-1057
BOLLES WELL SERVICE 4008 SHAWN STREET BAKERSFIELD, CA 93312
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BRUSH SEM S R O EDVARDA BENESE 564/39 PLZEN 30100 CZECH REPUBLIC
CA DEPARTMENT OF CONSERVATION DIV OF OIL GAS & GEOTHERMAL RESOURCES 801 K STREET MS 18-05 SACRAMENTO, CA 95814-3530
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CALIFORNIACHOICE BENEFIT ADMINISTRATORS PO BOX 7088 ORANGE, CA 92863-7088
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WESTERN POWER & STEAM, INC. 9601 MCALLISTER FREEWAY SUITE 221 SAN ANTONIO, TX 78216



# **Exhibit A**

In re:	§	Chapter 11
ALL AMERICAN OIL & GAS INCORPORATED,	§	Case No. 18-52693-rbk
Debtor.	§	
<i>Tax I.D. No. 20-0485894</i>	§	
In re:	§	Chapter 11
KERN RIVER HOLDINGS INC.,	§	Case No. 18-52694
Debtor.	§	
<i>Tax I.D. No. 75-0580508</i>	§	
In re:	§	Chapter 11
WESTERN POWER & STEAM, INC.,	§	Case No. 18-52695
Debtor.	§	
<i>Tax I.D. No. 45-3212088</i>	§	

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On November 12, 2018, the Debtors filed *Debtors' Emergency Motion for Entry of an Order Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief* in the above styled and numbered chapter 11 cases seeking joint administration of such cases (the "Motions"). The Court finds that notice was proper and that no party-in-interest made any response in opposition to the Motions or, if so, the relief requested in any such response was denied for the reasons stated on the record, and further finds that the relief requested in the Motions should be granted.

ACCORDINGLY, IT IS THEREFOR ORDERED, ADJUSTED, AND DECREED that the chapter 11 cases of All American Oil & Gas Incorporated, Kern River Holdings Inc., and Western Power & Steam, Inc. be jointly administered in accordance with the terms of this Order, as follows:

- (1) Nothing contained in this Order shall be construed as directing or otherwise effecting a substantive consolidation of the bankruptcy cases of the Debtors; it is the Court's intention to jointly administer the bankruptcy cases of the Debtors for procedural purposes only;
- (2) All American Oil & Gas Incorporated, Kern River Holdings, Inc. and Western Power & Steam, Inc. are to be jointly administered under Case No. 18-52693-rbk;
- (3) Chief Judge King shall preside over these jointly administered cases;
- (4) The joint caption of the All American Oil & Gas Incorporated, Kern River Holdings, Inc. and Western Power & Steam, Inc. cases shall read as shown in attached **Exhibit "1"**.

- (5) All original pleadings shall be captioned as set out above and all original docket entries shall be made in the case of All American Oil & Gas Incorporated, Case No. 18-52693-rbk;
- (6) All proofs of claim shall be filed under the case number representing the Debtor's estate against which the claim is made;
- (7) Each of the Debtors shall (a) file separate monthly operating reports; (b) maintain separate financial accounts and records; (c) not be liable for the claims against any of the Debtors by virtue of this Order; and (d) file separate Bankruptcy Schedules and Statements of Financial Affairs;
- (8) A docket entry shall be made in each of the Debtors' cases substantially as follows:

*An order has been entered in this case directing the joint administration of the chapter 11 cases of All American Oil & Gas Incorporated, Kern River Holdings, Inc. and Western Power & Steam, Inc.; Case No. 18-52693-rbk should be consulted for all matters affecting this case;*

- (9) Debtors shall file a master service list in All American Oil & Gas Incorporated, Case No. 18-52693-rbk, which includes all creditors, persons filing Notices of Appearances, and all parties-in-interest in all the Debtors' jointly-administered cases for future noticing requirements; and
- (10) This Order shall be served by the Debtors on interested parties and all parties included on the master service list.

###

Prepared and submitted by:

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*Proposed Counsel for Debtors and Debtors-in-Possession*

# EXHIBIT “1”

## JOINTLY ADMINISTERED CASES CAPTION

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In re:	§	
	§	Chapter 11
	§	
ALL AMERICAN OIL & GAS	§	Case No. 18-52693-rbk
INCORPORATED, <i>et al.</i> , <sup>1</sup>	§	
	§	
Debtors.	§	Jointly Administered Under
	§	Case No. 18-52693-rbk

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: All American Oil & Gas Incorporated (5894); Kern River Holdings Inc. (0508); and Western Power & Steam, Inc. (2088). The location of the Debtors’ service address is: 9601 McAllister Freeway, Suite 221, San Antonio, Texas 78216.